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May 10, 2017

To:

Ron Menor, Chair City Councilmembers

City & county of Honolulu

From: Rod Tam

Former State Senator/City Councilmember State of Hawaii/City & county of Honolulu

Re:

Testimony On Bill 42 (2017) Funding For Transit

Good morning Chairman Menor and City Councilmembers. Mahalo for the opportunity to testify in opposition of Bill 42 (2017) in amending City & County Ordinance 07-001. Ordinance 07-001 is the original base of funding for the Honolulu High-Capacity Transit Corridor Project. As the former city councilman in 2006, the passage and adoption of the legislation was to assure the citizens of the City & county of Honolulu that the project would not rob its citizens of basic essential funding of government public services (sanitation, health, and safety) and the project would only be funded by special funds.

Funding of the project was slated in a "special funds" city account. The special funds account as agreed by the federal government, State of Hawaii government, and City & County of Honolulu government consisted of designated federal funds and only state funds from excise tax surcharges. Furthermore, the purpose of the special funds account was to be self-generating interest funds and revenue not from city taxes.

The reasons for opposing Bill 42 are:

1. Based on the city's budget for the Honolulu's mass transit project funding would be from a special funds account consisting of federal designated funds and state excise tax surcharge funds to safe guard the city's basic fundamental budgeted services of health and safety and daily operational services, otherwise, the mass transit project was not to proceed. For, the city was and still surviving financial with a deficit.

> MISC. COM. 2680

2. Mayor Kirk Caldwell would be the guru of city revenues and spending whereby he can do as he pleases to transfer revenues from budgeted health and safety and daily operational services to fund his rail project over the funding of the city's health and safety and daily operational services. In essence, there would be no need for the existence of the city council to formulate the city's budget for specific public services and to properly fund public services. The City & County of Honolulu's City Charter mandates the existence of the city council to specifically formulate the people's budgeted services and oversee the mayor's spending of city funds.

In closing, please do not pass Bill 42 on today's agenda. To do so, would be neglecting your responsibility and duty, and in formulating and overseeing the mass transit budget, a violation of the city charter and enabling Mayor Caldwell desire to comingle city funds. The public knows that Bill 42 authored by Mayor Caldwell and HART wants the city ordinance amended because Mayor Caldwell is responsible for implementing a deficit on the rail transit project since there was and presently <u>no</u> financially accountable budget for the project. "The public wants financial accountability of public city funds."

If the city council passes Bill 42 today and sends it to the city council Budget Committee according to legislative process, I along with the public requests for the Budget Committee to conduct a public hearing on a Saturday morning for the public to testify personally at the city's Mission Memorial Auditorium. To conduct a public hearing on a working weekday morning is an act of defying public input and ignoring public input in councilmembers making non-bias legislative decisions. Democracy embraces open public hearings whereby councilmembers must base their decisions on legislation. Public hearings must be scheduled when the great majority of the public can attend, otherwise, government bureaucracy is only mocking the public hearing purpose and process and public hearings become ineffective for the public to be involved in directing their future.

Mahalo.

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